

**FILE CHRONOLOGY**  
**March 11, 1997 - June 15, 1998**  
**ZIEGLER GILSONITE OPERATIONS**  
**M/047/013**  
**last revision - June 24, 1998**

March 11, 1997 - received Ziegler request for minor modification of the mining plan for the **Cowboy No. 1 mine** lease U-0122693, sec 33 T8S, R24E. Proposal is to mine ore from the surface downward to 10 feet from the roof of the first floor of the mine and backfill the mined area with rock and dirt.

March 12, 1997 - received Ziegler letter informing the Division that they are changing banks and Chase Manhattan Bank will be issuing a new LOC.

March 21, 1997 - received copy of BLM letter to Ziegler regarding proposed modification to the **Cowboy No. 1 mine**. BLM requests documentation to show the 10 ft. Surface pillar will supply sufficient surface stability by a licensed engineer.

March 24, 1997 - Division faxed a copy of the LOC form and an example to Ziegler.

April 2, 1997 - received copy of Ziegler letter to BLM providing information describing surface stability of proposal. Request also includes laying an air line on the surface from the **Cowboy No. 1 Shaft** to other operations on patented lands to the SE (being mined from the surface). Information from Uintah Engineering adds a steel reinforced concrete floor in the bottom of the vein excavations which exceed 10 ft in depth. If >10 ft. <20 ft 12 inch thick concrete; if (?)>20 ft. <30 ft 24 inch concrete.

Additional data describes mining veins from the surface down to a depth of 30 feet for a length of 125 feet SE on fee land leaving a pillar below this of 40 feet in thickness (block 1). Also from the surface down to a depth of 30 feet for a length of 215 feet southeast of the "old shaft" leaving a 25 ft pillar of ore below on fee land (block 2). Underground mining is proposed for another 230 feet in a SE direction along the vein to a depth of 30 feet leaving below it a pillar > 30 feet thick. Propose to mine from the surface down to depth of 25-35 feet along the vein ~1,775 feet NW of the Cowboy No. 1 shaft. Propose 12 inch dia. air pipeline along the surface parallel to the vein to the SE to Ziegler fee land.

April 8, 1997 - received copy of BLM Notice of Noncompliance letter to Ziegler for the **Cowboy-Bandana Mine Plan**. NON is for installing an air pipeline across federal lease U-0122693 to facilitate mining gilsonite from the surface on adjacent fee property without prior approval. Ziegler needs to provide a description and map of the disturbed areas and locations of the pipe and airlift system to update their mine plan within 15 working days.

April 21, 1997 - received draft version of Ziegler's new LOC to be issued by Chase Manhattan Bank. Division is asked to review the document and notify Ziegler of acceptance or rejection.

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May 29, 1997 - received Ziegler's Mineral Lease Reclamation Bond issued by the Frontier Insurance Company to replace the Fleet Bank LOC.

June 4, 1997 - Division letter to Ziegler regarding Frontier Insurance Company bond recently received. The Division cannot accept this bond because it is a Mineral Lease Reclamation Bond (State Lands bond form for lessees). In addition, the Division generally updates reclamation bonds whenever they are revised or replaced, consequently, the Ziegler bond will need to be updated to a new amount.

June 10, 1997 - Division letter to Ziegler requesting the new surety amount of \$126,600 in year 2002 dollars. This surety update reflects the partial reclamation release of sites C-1, C-2, C-3. This surety update does not include any surety adjustments for the amendments recently submitted

July 1, 1997 - Division receives updated reclamation surety and reclamation contract from Ziegler.

July 15, 1997 - Division routes updated surety and reclamation contract for internal approval based on recent policy approved by the Board.

July 16, 1997 - Division sends surety acceptance/approval letter to Ziegler.

July 25, 1997 - Received copy of BLM July 22, 1997 decision to issue Gilsonite Fringe Lease **UTU-76312** to Ziegler. Bond coverage is provided by Ziegler's \$47,000 statewide bond No. 105812. Received copy of BLM July 22, 1997 decision regarding additional bond amount required for several of Ziegler's leases. The BLM requests the current \$5,000 treasury bond and \$47,000 statewide bond be consolidated into one statewide bond for \$132,000.

August 11, 1997 - Division publishes a public notice regarding the recent surety acceptance and approval due to a Division error in implementing the recently approved surety acceptance policy.

August 13, 1997 - Received copy of BLM Decision of August 12, 1997 accepting Ziegler's rider to the statewide bond increasing the amount to \$132,000 for Ziegler's federal leases.

September 15, 1997 - Division notifies Ziegler of no adverse public comments were received during the public comment period, therefore, the Division's surety approval of 7/16/97 still stands.

October 28, 1997 - received Ziegler update on exploration drilling on the **Cowboy gilsonite vein**. The update references the July 10, 1995 plan of exploration submitted to the BLM. This update describes five holes which were drilled. Three of these holes were kept open for gamma

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ray logging. One new hole is proposed and other holes may be drilled if needed.

December 11, 1997 - Division requests an annual report for the year 1997.

January 26, 1998 - Received Ziegler's annual report for 1997.

January 20, 1998 - received copy of Proposed Mine Plan for lease **UTU-76312**, sec 15 T9S, R24E (**Shaft No. 8 Amendment**). The plan was submitted to the BLM by Robert Covington on behalf of Ziegler. The spiral bound volume has a date of December 20, 1997 with a Revised date of January 16, 1998. NOTE: the site is referred to as LB-8 or LB-8A in DOGM listings.).

February 2, 1998 - Received a copy of a January 30, 1998 letter to the BLM on behalf of Ziegler regarding the Implementation of Mine Plan, **Cowboy Mine**. A map is enclosed showing the details of the proposed power line from patented lands to the shaft on lease **U-0122693**.

February 19, 1998 - Division letter to Ziegler stating the review of the amendment received January 20, 1998 has not been completed within the first 30 days of receipt due to a backlog of other permit reviews.

April 24, 1998 - received copy of the Environmental Assessment for gilsonite lease **UTU-76312 (Shaft No. 8)** section 15, T9S, R24E with an addendum to the mining plan. This submission states "A copy of the mining plan was submitted several months ago. This EA will supplement the mine plan." This is for the Little Bonanza vein located within the SW/4 SW/4 sec 15, T9S, R24E. NOTE - UTU-76312 was the subject of a gilsonite fringe acreage lease in August 1997.

May 13, 1998 - received copy of letter from Robert Covington to BLM requesting the April 24, 1998 submission (**Shaft 8**) be considered as Supplemental Information and not an EA. The old shaft B-8 (LB-8) will be used as an escapeway for shaft B-3. Upon completion of the project both shafts will be sealed in conformance with the plans for the Cowboy Mine and the Tom Taylor mine. No new access roads will be used. Only existing county roads will be used. Old areas where gilsonite was spread out on the surface are marked on the enclosed map with an X and will be ripped and dozed to restore the land nearly to original contours and the area seeded.

June 15, 1998 - received a map of the surface facilities for **UTU-76312 Shaft 8** from Robert Covington on behalf of Ziegler (as requested during phone conversations 5/22/98 and 6/11/98).